GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:767
ANSWERED ON:27.11.2006
SUGARCANE DUES
Prasad Shri Hari Kewal;Yadav Shri Giridhari

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the outstanding dues of sugarcane farmers against sugar mills has increased this year in comparison to the previous year;

(b) if so, the amount outstanding against Government, private and cooperative mills till February 2006; and

(c) the provisions made by the Government for ensuring payment of outstanding amount to the farmers at the earliest?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a)&(b): The sector-wise total cane price arrears as on 15.9.2005, 28.2.2006 and 15.9.2006 were as under:

Sector	Cane price arrears (Rs. in crores)		
	As on 15.9.2005	As on 28.2.2006	As on 15.9.2006
Public	17.15	63.73	23.29
Cooperative	193.13	579.77	79.21
Private	293.25	759.59	345.54
Total	503.53	1403.09	448.04

(c): Clause 3 of the Sugarcane (Control) Order, 1966 provides that where a producer of sugar purchases any sugarcane from a grower of sugarcane or from a sugarcane growers` cooperative society, the producer shall, unless there is an agreement in writing to the contrary between the parties, pay within 14 days from the date of delivery of the sugarcane to the seller. Clause (3-A) of the said Order provides that where a producer of sugar or his agent fails to make payment for the sugarcane purchased within 14 days of the date of delivery, he shall pay interest on the amount due at the rate of 15% per annum for the period of such delay beyond 14 days. Further, under the provisions of the Sugarcane (Control) Order, 1966, the cane price arrears are recoverable as arrears of land revenue and the State Governments have been authorized in this regard.